

Dear Panel Tax,

The diesel fuel tax is one of the factors that is crippling the economy of this state. Surrounding states that traditionally had higher tax rates than CT are now considerably less than CT: MA - 24 cents, Rhode Island -- 33 cents, VT 31 cents, NJ 17.5 cents, NH 22.2 cent per gallon. Even New York State -- traditionally far more expensive than CT is "only" 40 cents per gallon. In the entire United States, only PA, which has always been the most expensive state, just recently leaped ahead of again with 62 cents per gallon on diesel fuel. As large trucks average between 4 and 8 mpg, the fuel tax is a significant cost of doing business. While each interstate truck is supposed to report its mileage in each state and pay the taxes on the fuel used there, CT truck stops lose money to other states because it is easy to drive through, or even around CT, without stopping. In addition, the higher cost of fuel use in CT trickles down to the cost of everything that we buy here because it is all delivered by trucks.

Adding to the outrage of our excessively high tax rate on diesel fuel is the gross receipts tax. Because this tax is on GROSS receipts, the 50 cents per gallon that we are paying for fuel tax is taxed again through the gross receipts tax. Adding insult to injury, this tax disproportionately affects local businesses. As a CT based trucker, I buy nearly all of my fuel in CT, paying not only the direct fuel tax, but also the gross receipts tax on the fuel that I buy. My out of state competitors, who buy their fuel in New Jersey or Massachusetts, must declare the miles they drove through CT and pay the 50 cents per gallon on the fuel they use here -- but they do NOT have to pay the gross receipts tax. Please tell me way CT treats out-of-state companies better than those who reside within the state.

Independent truckers run on very small margins and these usurious tax rates cut into their bottom line and, perhaps, even their ability to continue their business.

Sincerely,

Margaret H. Rogers  
131 Cedar Hill Rd  
Milford, CT 06461